

**W-2 Contract and Implementation Committee  
Contract Issues Sub-Committee**

**Date:**           **November 4, 2002**

**Division/Division Contact:**       **John Thiesenhusen/Joan Larson**

**Topic:**           Financial Policy Document

**Problem Description or Issue:**

The 2002-2003 W-2 Contract requires agencies to request approval

all Sub-Contracts. A process has been in place since January 2002 but has been in draft format only. The Sub Committee requested a few minor changes to language. The changes to language would require a minor adjustment to the current contract.

**Alternatives: Option one:**

- Change the issue and effective date to the current date and add a reference to the current draft document.
- Add language in *Part E 2 Technical Procedures* to read.  
*If DWD's Contract Manager does not contact the W-2 Agency with its decisions within ten (10) business days, the sub contract format will be deemed to be approved by the DWD Contract Manager.*
- Change Part E 3. First paragraph To read  
*The DWD Contract Manager will provide to the W-2 Agency a contract log which will include a listing of all current subcontracts within ten (10) business days after each calendar quarter of the Contract period. The W-2 Agency will review the log and make any necessary changes, additions, or deletions and return to the DWD Contract Manager within ten (10) business days of the receipt date of the sub-contract log sheet.*

**Pro's**

- Will reflect what has been occurring since January 2002.

**Con's**

- Would require a change to the current contract.

**Option Two**

Leave the language as is.

**Pro's**

- Would not require any changes by DWD

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**Con's**

- Would not accurately reflect what has been occurring since January 2002, which was a verbal agreement between agencies and DWD during a conference call in late 2001.
- Would hinder the current level of communication that exists between the agencies and the regional office. The current process of the regional office creating the log and agencies making changes works very well.

**Comments/Positions by External Partners:**

**Comments by Technical Reviewers:** (i.e., Legal Counsel, DOA, etc.)

**Recommendation to Secretary:**

**Adopt Option one.**